

Adopted	Rejected
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COMMITTEE REPORT

YES:	15
NO:	9

MR. SPEAKER:

Your Committee on Ways and Means, to which was referred Senate Bill 434, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-3.5-7-22.5, AS AMENDED BY P.L.224-2003,
- 4 SECTION 258, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2004]: Sec. 22.5. (a) This section applies to a county having
- 6 a population of more than twenty-seven thousand four hundred
- 7 (27,400) but less than twenty-seven thousand five hundred (27,500).
- 8 (b) In addition to the rates permitted by section 5 of this chapter, the
- 9 county council may impose the county economic development income
- 10 tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted
- 11 gross income of county taxpayers if the county council makes the
- 12 finding and determination set forth in subsection (c).
- 13 (c) In order to impose the county economic development income tax
- 14 as provided in this section, the county council must adopt an ordinance
- 15 finding and determining that revenues from the county economic

1 development income tax are needed to pay the costs of:

2 (1) financing and renovating the former county hospital for
3 additional office space, educational facilities, nonsecure juvenile
4 facilities, and other county functions, including the repayment of
5 bonds issued, or leases entered into for renovating the former
6 county hospital for additional office space, educational facilities,
7 nonsecure juvenile facilities, and other county functions;

8 (2) financing, constructing, acquiring, renovating, and equipping
9 buildings for a volunteer fire department (as defined in
10 IC 36-8-12-2) that provides services in any part of the county;
11 ~~and~~

12 (3) financing, constructing, acquiring, and renovating firefighting
13 apparatus or other related equipment for a volunteer fire
14 department (as defined in IC 36-8-12-2) that provides services in
15 any part of the county; ~~The revenues from the county economic~~
16 ~~development income tax imposed under this section may not be~~
17 ~~used to pay the costs of and~~

18 (4) financing, constructing, acquiring, renovating, and equipping
19 the county courthouse.

20 (d) If the county council makes a determination under subsection
21 (c), the county council may adopt a tax rate under subsection (b). The
22 tax rate may not be imposed at a rate or for a time greater than is
23 necessary to pay for the purposes described in this section.

24 (e) The county treasurer shall establish a county option tax revenue
25 fund to be used only for the purposes described in this section. County
26 economic development income tax revenues derived from the tax rate
27 imposed under this section shall be deposited in the county option tax
28 revenue fund before making a certified distribution under section 11 of
29 this chapter.

30 (f) County economic development income tax revenues derived from
31 the tax rate imposed under this section:

32 (1) may only be used for the purposes described in this section;
33 (2) may not be considered by the department of local government
34 finance in determining the county's maximum permissible property
35 tax levy limit under IC 6-1.1-18.5; and
36 (3) may be pledged to the repayment of bonds issued, or leases
37 entered into, for the purposes described in subsection (c).

(g) A county described in subsection (a) possesses:

- (1) unique fiscal challenges to finance the operations of county government due to the county's ongoing obligation to repay amounts received by the county due to an overpayment of the county's certified distribution under IC 6-3.5-1.1-9 for a prior year; and
- (2) unique capital financing needs related to the purposes described in subsection (c).

(h) This subsection applies if a county council pledges, before July 1, 2004, county economic development income tax revenues derived from the tax rate imposed under this section to the repayment of bonds issued, or leases entered into, for a purpose described in subsection (c)(1). Notwithstanding any provision to the contrary in a bond ordinance or resolution, a bond issued for a purpose described in subsection (c)(1) may not be redeemed or called before the bond's final maturity date as stated in the bond ordinance or resolution. The county council shall spend the county economic development income tax revenues derived from the tax rate imposed under this section as follows:

(1) First, to repay a bond issued or lease entered into for a purpose described in subsection (c)(1).

(2) Revenue not used to pay bonds or leases as described in subdivision (1) shall be distributed as follows:

(A) The balance in the county option tax revenue fund on December 31, 2003, that will not be used to pay bonds or leases shall be transferred under subsection (k).

(B) After December 31, 2003, ten percent (10%) of the revenue received under this section that will not be used to pay bonds or leases shall be transferred annually under subsection (k).

(3) After the payments under subdivision (1) and the transfers under subdivision (2), the remaining revenue shall be spent in equal amounts to pay the following:

(A) Costs described in subsection (c)(2) or (c)(3).

(B) Costs described in subsection (c)(4).

(i) If a county council adopts a tax rate under subsection (b),

1 there is created a volunteer fire department recommendation
 2 panel. The panel shall make recommendations to the county
 3 council concerning the expenditure of revenues to pay costs
 4 described in subsection (c)(3). The panel consists of five (5)
 5 members appointed by the county council who:

- 6 (1) are affiliated with a volunteer fire department that is
 7 located in or serves the county; and
- 8 (2) evenly represent the population distribution of the
 9 county.

10 A member serves at the pleasure of the county council.

11 (j) The wages paid for a project described in subsection (c) must
 12 be at least equal to the common construction wage (as defined in
 13 IC 5-16-7-4) recommended for the project by the department of
 14 workforce development.

15 (k) The following apply to money distributed under subsection
 16 (h)(2):

- 17 (1) The money shall be transferred to the Randolph County
 18 Economic Development Foundation.
- 19 (2) The money may be used by the Randolph County
 20 Economic Development Foundation only for job training and
 21 job creation programs.

22 SECTION 2. IC 36-7-31.3-8, AS AMENDED BY P.L.178-2002,
 23 SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 UPON PASSAGE]: Sec. 8. (a) ~~Except as provided in subsection (d),~~ A
 25 designating body may designate as part of a professional sports and
 26 convention development area any facility that is:

- 27 (1) owned by the city, the county, a school corporation, or a
 28 board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or
 29 IC 36-10-11, and used by a professional sports franchise for
 30 practice or competitive sporting events; or
- 31 (2) owned by the city, the county, or a board under IC 36-9-13,
 32 IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used as one (1) of
 33 the following:
 - 34 (A) A facility used principally for convention or tourism related
 35 events serving national or regional markets.
 - 36 (B) An airport.

- 1 (C) A museum.
- 2 (D) A zoo.
- 3 (E) A facility used for public attractions of national
- 4 significance.
- 5 (F) A performing arts venue.
- 6 (G) A county courthouse registered on the National Register of
- 7 Historic Places.

8 A facility may not include a private golf course or related
 9 improvements. The tax area may include only facilities described in this
 10 section and any parcel of land on which a facility is located. An area
 11 may contain noncontiguous tracts of land within the city, county, or
 12 school corporation.

13 (b) Except for a tax area that is located in a city having a population
 14 of:

- 15 (1) more than one hundred fifty thousand (150,000) but less than
- 16 five hundred thousand (500,000); or
- 17 (2) more than ninety thousand (90,000) but less than one hundred
- 18 five thousand (105,000);

19 a tax area must include at least one (1) facility described in subsection
 20 (a)(1).

21 (c) Except as provided in subsection (d), a tax area may contain
 22 other facilities not owned by the designating body if:

- 23 (1) the facility is owned by a city, the county, a school
- 24 corporation, or a board established under IC 36-9-13, IC 36-10-8,
- 25 IC 36-10-10, or IC 36-10-11; and
- 26 (2) an agreement exists between the designating body and the
- 27 owner of the facility specifying the distribution and uses of the
- 28 covered taxes to be allocated under this chapter.

29 ~~(d) In a city having a population of more than ninety thousand~~
 30 ~~(90,000) but less than one hundred five thousand (105,000); the~~
 31 ~~designating body may designate only one (1) facility as part of a tax~~
 32 ~~area. The facility designated as part of the tax area may not be a facility~~
 33 ~~described in subsection (a)(1)."~~

34 Page 1, line 5, delete "subdivision subdivisions (2) and (3)," and
 35 insert "subdivision (2)".

36 Page 1, line 6, reset in roman "or".

37 Page 1, line 7, delete "except as provided in subdivision (3),".

- 1 Page 1, line 8, strike "July 1, 2003;".
- 2 Page 1, line 8, delete "or" and insert "**January 1, 2005;**".
- 3 Page 1, delete line 9.
- 4 Page 2, delete lines 34 through 42.
- 5 Page 3, delete lines 1 through 4.
- 6 Renumber all SECTIONS consecutively.
(Reference is to SB 434 as printed January 30, 2004.)

and when so amended that said bill do pass.

Representative Crawford